Larry Hogan, Governor • Gordon Medenica, Director

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TO:	Maryland Lottery and Gaming Control Commission Gordon Medenica, Director
FROM:	Leo Mamorsky, Managing Director, Chief Marketing Officer
DIVISIONS:	Product Development and Creative Services
DATE:	August 14, 2019
SUBJECT:	Report for the August 2019 Commission Meeting

Following is the status update of ongoing and special projects in Product Development and Creative Services.

#### 1. Product Development

# a) Instant Ticket Products and Promotions

- i. <u>Key accomplishments last period:</u>
  - 1. June Instant Ticket Launch (6/24/19):
    - a. \$3 Skee-Ball®
    - b. \$5 Super Bonus Bucks
    - c. \$10 Big Money Maker
    - d. \$10 Bingo X10
  - 2. July Instant Ticket Launch (7/22/19):
    - a. \$1 Dollar \$ign\$
    - b. \$2 *Ravens*
    - c. \$5 Hot 5s Hot Streak
    - d. \$10 *Ravens*
  - 3. Game Closing Activity:

Game	Price	Game Name	Total Sales	Prize Expense	Gross Margin	Final Claim Date
320	\$20	Ultimate Riches	\$29,164,680	\$22,497,060	\$6,667,620	5/13/2019
355	\$5	Payday Doubler	\$16,856,935	\$12,091,809	\$4,765,126	5/13/2019
357	\$1	5X The Cash	\$5,884,687	\$3,519,047	\$2,365,640	5/13/2019
354	\$3	Prize Lines	\$7,201,959	\$4,801,128	\$2,400,831	6/10/2109
360	\$10	50X The Cash	\$25,241,550	\$18,977,933	\$6,263,617	6/10/2109
363	\$5	Home Run Riches	\$18,846,290	\$13,528,125	\$5,318,165	6/10/2109
381	\$1	Double Doubler	\$2,961,430	\$1,739,685	\$1,221,745	6/10/2109

- 4. *Home Run Riches* Contestant of the Game: The drawing to select the fourth batch of Contestants of the Game was held 6/25/19; 100,007 entries were received. The fifth drawing was held 7/23/19; 86,052 entries were received.
- 5. *I Love Lucy*<sup>™</sup> second-chance contest: The second-chance contest is now complete: third drawing was held 6/18/19, 53,896 entries were received; the fourth drawing was held 7/16/19, 44,664 entries were received; Fifth and final drawing was held 8/13/19, 35,193 entries were received.

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- 6. *Skee-Ball*®: Nine cash prizes were up for grabs in the Skee-Ball secondchance contest. Each drawing awards 1 x \$1,000, 1 x \$5,000 and 1 x \$7,000. The first drawing was held on 7/30, 141,545 entries were received.
- Ravens second-chance contest: For the 11<sup>th</sup> consecutive year, the lottery has partnered with the Baltimore Ravens for two licensed scratch-offs and a second-chance contest for cash and Ravens tickets/prizes. The first drawing was held 7/26, 76,322 entries were received. The second drawing was 8/13, 670,006 entries were received.

# ii. <u>Upcoming tasks for this period</u>:

- 1. August Instant Ticket Launch (8/26/19):
  - a. \$2 *Lucky 3*
  - b. \$5 Deal or No Deal™
  - c. \$5 Deluxe Crossword
  - d. \$10 The Money Game
  - e. Soft Launch (8/22): \$10 \$100,000 Crossword 3<sup>rd</sup> Edition
- 2. *Home Run Riches* Contestant of the Game: The sixth and final Contestants of the Game drawing will be held 8/27/19. As of 8/11, 53,592 entries have been received.
- 3. *Skee-Ball*®: The second drawing will be held 8/27/19; as of 8/11, 49,030 entries have been received.
- 4. *Ravens second-chance contest*: The third drawing will be held 9/10/19.
- 5. Deal or No Deal<sup>™</sup>: Players have a second-chance to win cash prizes when they enter non-winning Deal or No Deal scratch-offs into My Lottery Rewards. Three drawings will award the following prizes: 9/24 and 10/29 drawings 1 x \$5,000, 1 x \$10,000 and 1 x \$25,000; 11/26 drawing 1 x \$5,000, 1 x \$10,000 and 1 x \$25,000;

# b) Draw and Monitor Game Products and Promotions

# i. <u>Key accomplishments</u>:

- Cash4Life Best Day Ever Promotion: Cash4Life is now drawn 7 days a week to raise player awareness, the Best Day Ever promotion launched on 8/1. Through 8/26, players who enter 7 C4L games into My Lottery Rewards, earn 25 entries into a drawing, to be held 8/27/19. 24 players will win \$100 a day for 30 days (\$3,000 prize, x 24) and one lucky player will receive \$1,000 a day for 30 days (\$30,000 prize x 1). As of 8/11/19, 187,550 entries have been submitted.
- 2. Monitor Game Promotions, *Racetrax \$6 for \$5* and *Keno Sprinkler*: Both promotions are player favorites and staples at the Lottery booth at the Maryland State Fair. Promotions began 8/12 and will continue through 9/8/19.

# ii. <u>Upcoming tasks for this period</u>:

 New Year's Rockin' Eve, Powerball's First Millionaire of 2020 Promotion: From 8/26 – 10/6/19, players who enter Powerball tickets into My Lottery Rewards and opt-in to the promotion, could be selected as one of five lucky winners who will be sent to participate in this National Powerball promotion.

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Winners receive a 4 day/3 night trip for two (winner + guest) to NYC (12/29 – 1/1/20), where they will attend an exclusive New Year's Eve dinner and party (thrown by Dick Clark Productions) with a VIP view of the ball drop in Times Square. Just after midnight, one lucky winner will be selected to be the First Powerball Millionaire of 2020 – winner will be featured on the Dick Clark New Year's Rockin' Eve broadcast. Drawing will be held 10/7/19.

# 2. Creative Services

### a) Traditional Advertising

#### i. <u>Key accomplishments</u>:

- 1. *Summer of Fun*: The *Summer of Fun* ad campaign is in its final phase, supporting *Hot 5s* and *Ravens \$2* and *\$10* scratch-offs.
- 2. *Ravens:* Produced four (4) radio spots and finalized all out-of-home creative materials. Animation continuing on the *Heed the Caw* television spot. Approved the *Ravens* 2019 media plan and MARC is in the process of finalizing all buys and media placements.
- 3. *Cash 4 Life*: Currently airing radio to support the *Best Day Ever* promotion.
- 4. *Deal or No Deal*: Approved concepts for television and radio spots and all are in production. Also, approved the media plan supporting *Deal or No Deal*. MARC is finalizing all media buys and placements.
- 5. *Powerball New Year's Eve* Promotion: Finalized point-of-sale for the *Powerball New Year's Eve* promotion.
- 6. *FY20 Planning*: Working to finalize FY20 initiatives and a marketing/advertising plan for the year.
- 7. *University Sponsorships*: Finalizing the creative for the *University of Maryland*, *Towson University* and *Morgan State University* sponsorships. All sponsorships begin at the end of August or the beginning of September.
- 8. *Washington Redskins*: Finalized sponsorship with the *Washington Redskins* and will utilize most of the assets to support *Multi-Match*.

#### ii. <u>Upcoming tasks</u>:

- 1. *Ravens*: Finalize all media buys and ad placements. Finish production of the television campaign and all digital assets. Work with the *Baltimore Ravens* to finish production of all in-stadium sponsorship assets.
- 2. *Deal or No Deal*: Finalize all media buys and placements. Finish production of all *Deal or No Deal* creative assets television, radio, digital, and out-of-home.
- 3. *Holiday 2019*: Begin review of creative materials and media recommendations.
- 4. *Fast Play*: Begin planning for the launch of *Fast Play* with GKV.
- 5. *The Washington Redskins*: Work with the *Washington Redskins* to finalize the creative components for all sponsorship assets.

# b) Web, Digital and Social

# i. <u>Key accomplishments:</u>

1. Promoted the *Ravens* scratch-offs and second-chance promotion, *Cash4Life* 7 days a week drawings, *Gold Rush Multiplier* family of games, *Skee-Ball* scratch-off and second-chance promotion, *Home Run Riches* second-chance promotion and various winners' stories via social media and web assets.

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2. Posted to live on social media while at the *Skee-Ball* live event, including Facebook live video, Instagram live video, Instagram story photos and videos.

#### ii. <u>Upcoming tasks:</u>

- 1. Execute social and digital plans for the *Ravens* scratch-offs and second-chance promotion.
- 2. Create social and digital plans for the *Deal or No Deal* scratch-off and second chance-contest and the *Powerball New Year's Eve* promotion.
- 3. Continue to implement emerging social media content tactics (e.g. 360degree images) to increase engagement.

#### c) My Lottery Rewards

# i. <u>Key Accomplishments:</u>

- 1. 49,945 players engaged with *My Lottery Rewards* during July 2019, down 6.75% from the previous year.
- 2. The average number of entries per player during July 2019 increased 2.65% from the previous year.
- 3. *Skee-Ball* was the top performing scratch-off with *My Lottery Rewards* members, having the highest number of entries and most unique players.

# ii. <u>Upcoming Tasks:</u>

- 1. Work with SGI to implement coupons into the *My Lottery Rewards* prize wheel.
- 2. SGI to provide updated versions of birthday, anniversary, and welcome emails.
- 3. Develop communications plan for prize point conversion process, which will begin on November 30, 2019. As part of the upgraded *My Lottery Rewards* platform, unused prize points will convert to draw points one year after award.

# d) Research

- 1. Reviewed Q2 Attitude and Tracking study findings with Ipsos and Lottery marketing team.
- 2. Received results of 2019 Retailer Satisfaction Study. Findings very positive and consistent with previous years.
- 3. Assisted SG and Ipsos in the development of screening criteria and discussion guide for upcoming *Fast Play* focus groups.